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BEIJING REVIEW

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A CHINESE WEEKLY
OF
NEWS AND VIEWS

- Reducing Scale of Capital Construction
- New Stage in Sino-Japanese Relations
- Guard Against Armed Intervention in Poland



Traditional Medicine in China Today

HIGHLIGHTS OF THE WEEK

Reducing Scale of Capital Construction

Resolute measures are being taken to reduce the scale of capital construction in China. The aims are to ensure the proportionate development of the national economy, readjust the relationship between accumulation and consumption, and improve the people's livelihood (p. 3).

Court Reports

Trial of the Jiang Qing clique's frame-up of Chairman Liu Shaoqi, who was persecuted to death, and other leaders of the Party and state (p. 16).

Traditional Medicine

Traditional Chinese medicine has played a significant role in preventing and curing diseases and promoting the health of the Chinese people throughout the ages. What about the study and

practice of traditional medicine in China today? Our correspondent has written a special article in answer to questions from readers abroad (p. 21).

Sino-Japanese Relations

The first meeting of senior government officials of China and Japan in Beijing early this month marked the beginning of a new stage in Sino-Japanese co-operation in the diplomatic, economic, trade and other fields (p. 7 & p. 9).

Polish Situation

The whole world is closely watching the developments in Poland where the threat of an armed intervention from outside looms large (p. 9).

What's Cline Up to?

Ray Cline, American President-elect Reagan's Asian affairs adviser, has recently

made a number of statements interfering in the internal affairs of China and put forward preposterous suggestions which have aroused the indignation of the Chinese people. If his ideas were adopted, it would lead to a retrogression in Sino-American relations (p. 11).

Submarines for Taiwan?

A Xinhua commentary expresses regret at the Dutch Government's decision to give permission for a Dutch company to build two submarines for Taiwan. It hopes that the Dutch Government will reconsider its decision (p. 12).



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ECONOMIC

Reducing Scale of Capital Construction

Drastic measures were taken in central China's Henan Province to reduce the scale of capital construction. In the first ten months of this year, construction of 25 projects, each with an investment of more than one million yuan, was either stopped altogether or postponed, thereby cutting down the total amount of investment by 410 million yuan.

After diverting the limited capital, materials and manpower to where they are most needed, the building of key projects has been greatly accelerated. An example is the building of living quarters which are badly needed. From January to October this year, 1.14 million square metres of floor space were completed in Henan, an increase of 60 per cent over the corresponding period of last year.

An important step in readjusting the national economy over the past year is to cut down the rate of accumulation and reduce the scale of capital construction, particularly in the field of heavy industry. However, this principle has not yet been well implemented in many places and departments.

Recently, both the Xinhua News Agency and *Renmin Ribao* published commentaries stressing the importance of reducing the scale of capital construction in order to ensure a well-proportioned development of the national economy.

The Xinhua News Agency pointed out in its recent commentary that in this year's state

budget, investments in capital construction have been slashed to 25,000 million yuan, but if the capital construction funds invested by the various departments and localities are included, total investments still amount to more than 50,000 million yuan.

The commentary said that there are two main reasons for the failure to really reduce the scale of capital construction: over-anxious to get quick results and too many channels for investments. With the restructuring of the economic system, both the localities and the enterprises now have more funds at their own disposal; in addition, they can use bank loans and foreign funds for capital construction.

The commentary said that in the current policy of readjusting, restructuring, consolidating and improving the national economy, readjustment plays the key role. And to make further readjustments of the economy, the primary task is to make readjustments in capital construction. If those heavy industrial projects which should be slashed are not stopped, then energy, communications and transport, city construction and light and textile industries will not be able to develop. If this should go on, a change in the disproportionate development of the national economy would be out of the question and the pace of the four modernizations would be slowed down.

The Party Central Committee and the State Council have stressed that, under the present conditions, it is necessary to take resolute measures to cut the scale of capital construction as a whole, strictly control the building of new projects and

stop or postpone the building of some big projects. The People's Construction Bank of China will strictly control the allocation of funds and the extension of loans for capital construction according to state plan.

The *Renmin Ribao* commentary said that some of the capital construction projects, including some imported ones, were rashly started without first making a proper assessment of the economic situation, without a comparative study of the feasibilities, and without a correct analysis of the economic results. Hence the necessity for a thorough review. Resolute measures must be taken to stop those projects which require too much investments and time to build and where conditions are inadequate.

An example is the Shanghai Baoshan Iron and Steel Works where the second phase of construction has been postponed.

The commentary stressed that, in the coming few years, attention will be focused on bringing about a well-proportioned development of the economy; particular attention will be paid to readjusting the relationship between accumulation and consumption, and to the gradual improvement of the people's livelihood.

New Investment Method

Investments in China's capital construction will switch from the present system of government allocations to bank loans.

Explaining this new method which will be adopted on a wide scale in 1981, President Wu Boshan of the People's Construction Bank of China (the bank is in charge of invest-

ments in capital construction) said: The new method will be applied to investments in projects undertaken by enterprises practising independent business accounting and having the ability to repay the loans, such as industry, communications and transport, land reclamation, animal husbandry, aquatic products, commerce, tourism and cultural undertakings.

But, he said, the bank will neither allocate funds nor extend loans for projects which do not conform to the state construction policy or which do not have the necessary conditions for construction.

Under the old method, enterprises that undertook capital construction received the necessary funds without having to repay them and profits were handed over to the state only after the projects had started operation. One defect of this practice, Wu Boshan said, was that some enterprises did not pay due attention to tapping the capacity of their own existing equipment, but simply relied on the state for more investments in order to increase production.

The new procedure requires that enterprises engaging in capital construction sign contracts with the People's Construction Bank for the loans. Annual interests will have to be paid and the loans will have to be repaid according to the contracts. Rewards will be given if the projects are completed ahead of schedule and the loans are repaid on time, while unwarranted delays in the completion of the projects or failure to repay the loans on time will be fined.

This new investment method was first introduced in eight enterprises on a trial basis in August 1979. By the end of

September 1980, it had been applied to 626 projects in 28 provinces, municipalities and autonomous regions. The loans involved totalled 3,200 million yuan, of which 1,200 million were used to develop the power industry.

With the popularization of this method, Wu Boshan pointed out, the People's Construction Bank will become an independent economic unit rather than an organ for allocating funds. It will, under the guidance of state plans, strengthen supervision and management over capital construction so as to obtain the best possible results.

Since the new method was introduced, the Liaoyang Petrochemical Fibre Plant in north-east China has postponed the building of 19 projects which either are designed to produce products not urgently needed on the market or do not have the necessary construction conditions. In doing so, the plant has saved 15 million yuan for use in projects which were put into operation this year.

No Intervention in Rural Cultivation Plan

The Zhejiang provincial government in east China has recently decided that, beginning from next year, rural production teams have the right to grow any kinds of crops they think fit for local conditions, provided that they fulfil the tasks laid down by the state. The decision stipulates that the higher authorities must not wantonly interfere with the cultivation plans of the production teams.

This is an important measure on reforming the rural economic system. The decision explicitly points out that directives of a

compulsory nature will not in the future be issued to the rural people's communes and production teams as was done in the past; such directives required them to carry out specific cultivation plans and meet certain production targets. Instead, certain planned targets and amounts of unified and assigned purchases of major farm and sideline products will be made known to them. The planned targets only serve as a guide and are not mandatory. The decision says that this practice will not be changed for several years to come.

In the past, the policy "taking grain as the key link" was adhered to in the province. This of course restricted the areas under the various crops. Directives of a mandatory nature used to be passed on from the higher authorities to the lower levels, with the result that the production teams and, to a certain extent, the county authorities had very little freedom to make their own decisions in the light of local conditions. Because of these hard and fast regulations, crops which are suited to local conditions and which give high yields and economic benefits were not grown, thereby hampering the development of local rural economy.

Labour-Intensive Trades Grow

Output of China's labour-intensive industries increased rapidly from January to September this year following a State Council decision to develop the production and export of products from these industries on a large scale.

Compared with the corresponding period of last year, output of drawnwork, embroi-



Workers at the Fuzhou Friendship Cloth Shoe Factory making cotton slippers for export.

dery, carpets, toys, ceramics and bamboo, rattan and willow wares increased 27 per cent. The export volume of these products rose by 23 per cent, and the output of cloth and leather shoes and garments registered a 40 per cent increase.

Plans and concrete measures have been drawn up by the Ministry of Light Industry to develop and export labour-intensive products. This year the ministry has extended four times as much loans as last year to the arts and crafts enterprises and other labour-intensive trades. In addition, various provinces, municipalities and autonomous regions have raised funds themselves to develop such trades. As a result, the production capacity of the country's garment industry this year has expanded by 50 per cent and the processing ca-

capacity for embroidered shoes has tripled.

Since China has rich natural resources and a population of nearly 1,000 million but limited arable land, it is necessary, in the drive to realize the four modernizations, to rely on manpower rather than on advanced technical equipment which, together with funds, the country is short of.

The advantages of developing labour-intensive trades in China are as follows:

— Little investment is needed to develop these trades which can employ a large number of people. At present, for one million yuan's worth of fixed assets, 94 people are employed in heavy industry, 257 in light and textile industries, and 800 to 1,000 in the arts and crafts enterprises—the last being the most common labour-intensive trade.

The products of these trades are highly competitive on the international market and therefore have broad prospects. Foreign exchange earned from the export of arts and crafts rose from 215 million in 1972 to 1,000 million in 1979.

— Less consumption of raw materials and energy. For every one thousand yuan's worth of products, the arts and crafts industry consumes only a fraction of the energy needed by heavy industry.

Developing labour-intensive trades does not simply mean to develop the handicraft industry. While inheriting and promoting the country's excellent traditional handicraft skills, efforts will be made to increase the labour productivity of these

trades through technical innovations.

Labour-intensive trades exist in all departments of China's national economy. These include the diversified economic undertakings and enterprises run by the rural communes and production brigades as well as the building industry, commerce and the service trades in the towns and cities.

POLITICAL

Trade Unions Uphold Workers' Interests

The Tianjin Elevator Factory recently built an apartment house for its workers, but before the workers could move in, some leading cadres of the factory took advantage of their positions and power and divided most of the flats among themselves. This infuriated the workers. The Trade Union Council of Tianjin intervened in this matter with the support of the municipal Party committee, and put an end to this infringement of the workers' interests.

This incident prompted the municipal trade union council to pass a decision to the effect that newly built living quarters of any enterprise should be allocated according to a plan drawn up by a committee composed of leading administrative personnel and workers' representatives and finally approved by the workers' congress. The decision said that no one can alter this procedure.

Over the past two years, the Trade Union Council of Tianjin

has made great efforts to meeting the workers' urgent needs, safeguarding their democratic rights and economic interests and combating bureaucracy and all deeds that violate the law and discipline.

In an attempt to solve the many problems that have cropped up over the years, the All-China Federation of Trade Unions has recently called on the trade unions and administrative departments at various levels to make a thorough investigation of the workers' welfare and help them solve urgent problems to the best of their ability.

The items under investigation include: How much money is spent on the workers' welfare according to state regulations; whether democracy is practised in solving major problems concerning the workers' livelihood; and how the demands and suggestions of the workers are taken into consideration when the construction plans of the enterprises and local governments at various levels are discussed.

The call urged that the results of the investigation should be submitted to the workers' congresses for examination before appropriate decisions are taken to solve existing problems within a definite period.

Factory Directors Selected Through Examination

While most enterprises and factories in China still have their leading personnel appointed by the state, some have introduced a new practice. In some cases, advertisements for a director or manager are put in the local newspapers, and in others the leading personnel are chosen

through democratic elections by the workers and staff members. All this is aimed at improving the leadership.

The newly established Woolen Knitwear Mill in Lanzhou in northwest China's Gansu Province recently selected a director and a deputy director from among 26 applicants for the jobs after an advertisement was published in the local paper. All the applicants had a good knowledge of management and years of practical experience behind them. Most of them got good marks in the examination.

Both Zhang Fusheng who qualified for the position of director and Qiu Huali the post of deputy director had been technicians in the Gansu Cotton Textile Mill. They had brought to the examination concrete proposals on how they would run the new mill, and the knowledge and ability they demonstrated during the oral test won the praise and approval of the examination panel.

Director Zhang Fusheng will be on probation for three months, and if he proves to be really capable, during this period, he will sign a formal contract and receive a monthly wage of 100 yuan in the first year. In the second year he will, besides his regular wage, receive an additional sum from the profits like any other worker. Should the factory incur any losses, both director Zhang and deputy director Qiu will have their wages reduced by half. And if the factory should be in the red for two years in succession, both will have to resign unconditionally.

Using the same method, the Jiamusi Paper Mill in Heilongjiang Province on the northeastern tip of China has engaged

a manager and three deputy managers for a service company to be set up under its administration. This company will be a collectively owned enterprise employing young people waiting for regular jobs, and it will undertake such work as repairing metalware, making furniture and garments, and building houses.

No sooner had the company put up a notice than 48 people applied for the posts of manager and deputy managers. Eight were chosen in the first round of the examination, from which four were ultimately selected. They will sign formal contracts after a probationary period of six months.

SOCIAL

Publicize Atheism

It is necessary to strengthen the study of atheism and publicize it while continuing to carry out the Party's policy on religious belief. This was the view at a recent national forum on atheism held in Wuhan under the joint sponsorship of the Institute of World Religions under the Chinese Academy of Social Sciences, the Hubei Provincial Academy of Social Sciences and three other organizations.

Those attending the meeting agreed that our policy on religious belief is to protect people who believe in religion, while publicity of atheism will help them rid themselves of ignorance and backwardness and establish a scientific world outlook. Both are aimed at mobilizing the people's initiative for the modernization drive.

Many representatives pointed out that a distinction should be

made between normal religious activities and the various forms of feudal superstitious beliefs. The former should be protected according to the policies of the Party and state while the latter should be checked.

A homicide early this year in Zhijin County of southwest China's Guizhou Province shows that publicizing atheism, spreading cultural and scientific knowledge and combating feudal superstition remain an arduous task in some backward places in the country. Xie Xianji, the murderer, claimed that he was a demigod who could help people ascend heaven and become saints. Zhang Shenghong, a people's commune cadre, and Zhang Qinghong, a worker, believed in what he said. They gave him cash and goods amounting to 1,600 yuan. Later they willingly offered themselves and their family members to the killer who drowned ten of the eleven members of Zhang Shenghong's family and three of Zhang Qinghong's family of four.

Participants in the meeting stressed that the problem of superstition among some of the people could be solved only by relying on the material force and in conjunction with the solution of other social problems. But this does not mean that superstitious beliefs should be allowed to spread unchecked.

Many participants held that the experiences of many converts from theism to atheism should be summed up. They stressed the need to spread atheism by making use of the new achievements in natural science.

EDUCATIONAL

More Chinese to Study Abroad

China will continue to send students abroad to learn from the strong points of other countries, said Vice-Premier Fang Yi, who is in charge of science and education, at a meeting in Beijing on the work of sending students abroad.

He pointed out that various kinds of specialists are needed to realize the four modernizations. Ten years of chaos has held China back in the sciences, technology and education. In training specialists, China should mainly rely on its own domestic resources, but it should also learn from the strong points of other countries in those fields where China has little experience.

Over the last two years or so, 5,100 students have been sent to 45 countries, of which 3,900 are visiting scholars, 560 post-graduate students and 660 college students. More than 4,600 are studying the natural sciences, while 110 major in the social sciences and 380 in foreign languages.

Fang Yi pointed out that in view of the fact that some students do not have a sufficient knowledge of foreign languages, remedial measures will be taken to help them master a foreign language before going abroad.

Policies, principles and other basic problems concerning the work of sending students abroad were discussed at the meeting.



Xu Yixie, 29, has recently passed an examination for postgraduate studies in the physics department of Columbia University in New York City. Xu has had only a middle school education, but through years of self-study, she was accepted in 1978 for postgraduate studies in the Institute of High-Energy Physics under the Chinese Academy of Sciences.

FOREIGN RELATIONS

Conference of Sino-Japanese Government Officials

In accordance with a decision made by the Premiers of China and Japan in Tokyo last May, members of the State Council of China and cabinet members of Japan held their first conference in Beijing on December 3-5. Representing China at the conference were Vice-Premiers Gu Mu, Yao Yilin and Huang Hua, and nine ministers and government officials of ministerial level, including Minister of Foreign Trade Li Qiang. Representing Japan were Minister of Foreign Affairs Masayoshi Ito and five other ministers and members of their party.

The two sides exchanged views on the current international situation and issues concerning economic and financial policies of the two countries as

well as their co-operation. The conference achieved satisfactory results and a joint press communiqué was issued. Vice-Chairman Deng Xiaoping and Premier Zhao Ziyang met with the Japanese cabinet members on separate occasions.

International Issues. Japanese Foreign Minister Masayoshi Ito gave an account of Japan's views on the current major international issues. He pointed out that the armed Soviet invasion of Afghanistan represents a threat to world peace. He also mentioned the Soviet occupation of the Japanese four northern islands and continual reinforcement of military forces there. He said that Japanese-Soviet relations cannot be improved unless the above-mentioned issues are solved.

Chinese Foreign Minister Huang Hua said that "the Soviet invasion of Afghanistan and Viet Nam's invasion of Kampuchea are not local, regional problems, but are vital steps in the Soviet global strategy. He added that these issues must not be underestimated. He reiterated the Chinese position that the solution of both the Afghan and the Kampuchean questions must be based on the complete withdrawal of Soviet and Vietnamese troops. "Otherwise," he warned, "any political solution will lead to the sacrifice of principle and will not have the support of the world's people at large." He added: "Now that the Soviet Union and Viet Nam can ignore international norms, the international community has the right to support the Afghan and Kampuchean peoples in their struggles."

Economic Situation. Both sides welcomed the progress in co-operation in the exploitation of oil, coal and other energy resources. The Japanese side hoped that China would be Japan's

long-term and stable energy supplier. After explaining China's actual situation in improving the exploitation of oil and coal resources, the Chinese side said that it would do its best in this regard.

Both sides highly appraised the economic co-operation to date as having contributed to the all-round development of Sino-Japanese relations. They expressed satisfaction over the exchange of notes, during the first conference of Sino-Japanese government officials, on the loan offered in 1980 not exceeding 56,000 million Japanese yen and over the smooth implementation of the construction plan of the China-Japan Friendship Hospital.

Both sides affirmed the results of technical co-operation in the fields of infrastructure, such as railways and harbours, and in public health and medicine, enterprise management and hydroelectric power generation. They hoped that such co-operation would keep growing in the future. The Japanese side expressed readiness to start new technical co-operation in connection with a plan for the reclamation of the Sanjiang Plain in northeast China.

The Chinese side expressed its appreciation of Japan's positive attitude towards this project.

Chinese Vice-Premier Gu Mu reiterated China's policy for accomplishing the four modernizations and the policy for expanding economic relations with other countries. "Our policy of strengthening economic contacts and technical co-operation with foreign countries will be carried out on a long-term basis."

Both sides agreed that it would be worthwhile to conclude agreements on taxation and on mutual promotion and protection of investments to en-

sure the smooth development of economic relations and exchange of personnel between the two countries. Both sides believed that negotiation for this purpose should start as soon as possible.

Delegation of Greek Communist Party of The Interior

A delegation of the Greek Communist Party of the Interior, led by General Secretary Mpampis Drakopoulos, arrived in Beijing on December 1 on a visit to China. This is its first delegation to come to China since relations between the Chinese and Greek Communist Parties broke off in the 1960s.

Ji Pengfei, Head of the International Liaison Department of the Central Committee of the Communist Party of China, gave a banquet in honour of the delegation on December 2. In their toasts the two sides wished the relations between the two Parties continuous development on the basis of independence, complete equality and mutual respect. Ji Pengfei pointed out: "This not only conforms to the aspirations of the two Parties and peoples of China and Greece but also conforms to the interests of the international communist movement and world peace."

The delegation has been touring the southern parts of China.

Greetings to San Marino Communist Party Congress

The Central Committee of the Communist Party of China sent a message to the Communist Party of San Marino on December 2, greeting the convocation of its tenth congress from December 5 to 8 and wishing the congress complete success.

Guard Against Foreign Armed Intervention in Poland

THE shadow of outside armed intervention looms large along the Polish border as the Kremlin issues repeated warning signals on the current situation in Poland and busily moves troops along the Soviet-Polish border. This latest development has evoked serious concern from the international community.

With the armed invasions of Czechoslovakia and Afghanistan still fresh in their memories, the governments and people of many countries are naturally worried about the future of the Polish nation. It has become the habit of the Soviet hegemonists to resort to the threat of force or naked military intervention at times when developments in certain regions or neighbouring countries run counter to the wishes of the Kremlin.

But the Soviet Union has no right to act as the international gendarme. Poland is a sovereign state. Whatever happens in Poland is its own internal affair and should be settled by the Polish people themselves. The use or threat of armed intervention against a sovereign state under any pretext or form runs counter to the norms governing international relations. It is illegal and out-and-out hegemonism.

People may look at the Polish events from different points of view and take different stands. But in the face of a possible armed intervention from outside, the Polish people as a whole will not dispute that national interests must be safeguarded and the crisis should be

solved by themselves. The Polish people have a clear understanding of all the problems involving the survival of their nation. Should the Soviet Union carry out armed intervention against Poland, it will be pitting itself against the entire Polish nation.

Warsaw in 1980 is not Prague in 1968. The Polish people have

the right to decide their own destiny, the will to preserve their national interests and the ability to settle their problems by themselves. If the Soviet Union wantonly intervenes in Poland militarily in defiance of the will of the people of that country and others the world over, Moscow must be held responsible for all the grave consequences arising therefrom.

— *Xinhua Commentator*,
December 6

China-Japan

An Important Step Forward

AT the start of the first meeting of the Sino-Japanese Government Officials Conference, which was held in Beijing from December 3 to 5, Japanese Foreign Minister Masayoshi Ito pointed out that six members of the Japanese cabinet coming to China together was unprecedented in Sino-Japanese history and that it would certainly help promote the development of relations between the two countries. Chinese Premier Zhao Ziyang also spoke highly of the event, saying, "It marks a great beginning in the history of Sino-Japanese relations." The meeting definitely helps to deepen mutual understanding and further paves the way for friendly exchanges. It marks an important step forward in the friendly co-operation between China and Japan.

The main aim of the conference is "for a lasting friendship between the two countries." Since the normal-

ization of Sino-Japanese diplomatic relations, especially after the signing of the Peace and Friendship Treaty, friendly relations between the two countries have developed soundly. Agreements on trade, aviation, maritime transport, fishery, culture and science and technology were concluded and the heads of the two countries have exchanged visits. Not long ago, the two countries signed a contract on the exploitation of natural gas and the Chengbei Oilfield and an agreement on the exploitation of seven coal mines with loans from the Export-Import Bank of Japan. The two countries also agreed in principle that China export 10 million tons of coal to Japan by 1985. The volume of trade between the two countries today is eight times greater than eight years ago.

International Situation. Both China and Japan held that the

tense international situation has not eased. On the contrary, it has become more dangerous and complicated. Consequently, the two sides should strengthen exchanges of views and promote mutual understanding. Chinese Vice-Premier and Foreign Minister Huang Hua and Japanese Foreign Minister Masayoshi Ito met and discussed developments in Afghanistan, Kampuchea, the Iran-Iraq war and other international issues of common concern. They expressed extreme concern about Kampuchea and each country's willingness to fulfil international obligations.

At present, Soviet aggression and expansion is closing in on key areas of vital importance to the world as a whole. From using surrogates, the Soviets have now gone on to directly involving themselves in armed intervention and war. The international situation has become more tense, more turbulent and more complicated and the danger of war has grown. During the discussions, the two sides deemed that under the circumstances and proceeding from common interests and on the basis of equality, consultations, co-ordination and unity were necessary. Of course, this relationship will not be of a military nature and need no fixed form.

Economic Situation. Economic issues featured largely in the talks. A good beginning has been made already in economic co-operation between China and Japan. The Director-General of the Economic Planning Agency of Japan Toshio Komoto spoke about the three major factors for the swift development of the Japanese economy after World War II: 1.

A high level of education, high-quality labour power and the hard work of the people; 2. Positive implementation of an open policy and developing foreign trade; 3. Strong government guidance in developing the economy, and promoting economic development by planning and regulations.

The Chinese side gave a detailed account of the principles, policies and means used in readjusting the national economy. Although China's economy experienced a very big development after the smashing of the gang of four, ultra-Left influence has still to be overcome to completely solve the uneven development of the economy. It is precisely for the realization of the four modernizations and for better economic co-operation with Japan and other countries that China has decided resolutely to readjust its economy. The Japanese side expressed satisfaction and understanding after the Chinese side's explanation.

Economic Co-operation. There are broad and good prospects for economic co-operation between the two countries, particularly in the field of technology and energy exploitation. Satisfactory results were arrived at in discussions on loans, technological co-operation in developing the Sanjiang Plain in northeast China, building a Sino-Japanese friendship hospital, as well as questions related to developing the coal industry, building and enlarging of harbours, and investments. The Japanese side expressed the hope that 30 per cent of Japan's total oil import by 1990 would come from China and close Asian countries, as against 4 per cent today. The

Chinese side said it would take this into active consideration.

Japanese Finance Minister Michio Watanabe said frankly that China has what Japan is short of, while what China lacks Japan has. So, much can be done by way of economic co-operation between the two countries. Complementing each other in the economic field, helping to supply each other's needs, will be beneficial to the posterity of both countries. Members of the Chinese and Japanese Governments unanimously held that it was necessary to further strengthen economic co-operation.

The salient feature of the meeting was the frankness and sincerity of the talks between members of the two governments. It showed that Sino-Japanese relations have been solidly established. Japanese Foreign Minister Masayoshi Ito said frankly that China and Japan, in supporting each other politically and economically, have made solid progress, but some friction could develop, because of the different state systems. This, he said, could be overcome through discussion and improving mutual understanding.

From this first meeting of the Sino-Japanese Government Officials Conference, it can be seen that despite different social systems, the two nations share a common interest and they both hope to see peace maintained in the intense and turbulent international situation. The future is bright for co-operation on this solid basis.

— "Renmin Ribao" Correspondent Zhang Yunfang

A Confused American Strategist

WHEN Ray Cline, President-elect Ronald Reagan's Asian affairs adviser, visited Southeast Asia in late November, he made a number of public statements interfering in China's internal affairs. It made people wonder what, after all, he is trying to do.

At a press conference in Singapore on November 28, Cline, with a fine disregard for China's sovereignty, lectured that, externally, China should "open up the country to the outside world," and internally, it should "renounce its policy to occupy Taiwan by force." He also declared that he expected "China to adopt more civilized norms of behaviour." In trying to tell an independent and sovereign country what it must do and not do, this U.S. "specialist on Asian affairs" really threw aside the most basic international norms of behaviour. This makes one wonder if he is representative of American "civilized norms of behaviour"?

Who Is Interfering in Who's Internal Affairs?

Cline's remarks during his recent Asian tour were not accidental. There are still some people in the United States today who are so used to pursuing imperialist policies that they think they can treat China as an unequal. In his article in *The Washington Star* in mid-October, Cline averred that Taiwan was a "sovereign state," a "neighbour" of China and an "ally" of the United States and "should not be forced to give up its sovereignty

and to accept political subordination to the communist regime on the mainland." Such assertions fly in the face of historical fact, flout international law and the will of the Chinese people on both sides of the Taiwan Straits. Cline's claims divide one China into "two Chinas" and are a flagrant interference in China's internal affairs. Furthermore, it makes mockery of the U.S. Republican and Democratic administrations which officially have recognized that there is only one China and that Taiwan is part of China. One must note, too, that Cline absurdly charged officials of the People's Republic of China of "blatantly intervening in U.S. domestic affairs" when the Chinese Government legitimately responded to provocative statements strikingly reminiscent of those of lobbyists for "two Chinas." We do not want to get into the question of who supported one party against another in the period of the Chinese civil war. But if some in the United States had not continued to support one Chinese party against another, would not Taiwan have been reunited with the mainland today?

The main reason for Cline's inclination against developing Sino-American relations is, no doubt, his fear of incurring the ire of the Kremlin. In his mid-October article, Cline said that the Soviet Union had "the modern military power in place on the Sino-Soviet border and at bases in Viet Nam to teach the People's Republic of China a lesson" and that "a strategic

tilt to the P.R.C. ought not to be taken lightly . . . the emerging U.S.-P.R.C. axis could lead us into war on the mainland."

Another reason he advanced for his opposition to stronger Sino-American ties is that he considers China "too weak" and it does not pay to become friends with China. China may be strong and it may be weak, but that is no license for anyone to interpose himself in China's internal affairs. Mr. Cline should study a little Chinese history and acquaint himself with the fact that the Chinese people are not in the habit of currying favour with or falling on their knees before any foreign power. They also know how to deal with those who try to provoke them and who slight their national sentiments and sovereign rights.

Cline's Dangerous Suggestion

Sino-U.S. relations should be handled according to the principles written into the Sino-U.S. agreement, i.e., the United States recognizes the People's Republic of China as the sole legitimate Government of China, Taiwan is part of China, and the American people will maintain unofficial relations with the people in Taiwan. Chief of the U.S. Central Information Agency station in Taipei from 1958 to 1962, Dr. Cline, upon his arrival at Taipei airport on November 28 told reporters: "The new Reagan administration has promised to carry out the Taiwan relations act fully and fairly."

It is generally known that China objects to the "Taiwan relations act" adopted by the U.S. Congress in March last year, because it violates in many ways the principles of the

Sino-U.S. agreement on the establishment of diplomatic relations. Cline's attempt to use a purely domestic act to confront the Sino-U.S. agreement on the establishment of diplomatic relations and impose the act upon China is against all norms of international relations. The Chinese people will not have it.

Ignoring the Sino-U.S. agreement, Cline has gone so far as to suggest that a permanent "private representative" of the U.S. President be sent to Taiwan. This is conferring a certain official character to the relationship between the United States and Taiwan. It is a very dangerous proposal.

On December 1, Reagan's spokesman Jim Brady said that Cline's Taiwan tour "was a private visit and neither his views nor anything he's done on the trip reflect any official views of the transition of office." He added that Cline and others abroad were "speaking as private individuals, not as official representatives of the President-elect." One cannot but be concerned as to what policies the Reagan administration will pursue. If what Cline advocates and suggests are adopted, it will certainly lead to a retrogression in Sino-U.S. relations with grave accompanying consequences.

—*"Beijing Review" news analyst Ren Yan*

Dutch Government Urged to Reconsider

THE Dutch Government's decision of November 29 to grant an export permit to a Dutch company for the construction of two submarines for Taiwan has shocked the Chinese people.

It may be recalled that the Netherlands recognized the Government of the People's Republic of China as the sole legitimate Government of China as early as 1950. When the two states upgraded their relations to ambassadorial level in 1972, the Dutch Government declared in the Sino-Dutch Joint Communique that it respects the Chinese Government's stand on the Taiwan issue. Its decision to permit a Dutch company to sell arms to Taiwan, therefore, clearly violates the basic norms governing relations among states and the principles contained in the 1972

Sino-Dutch Joint Communique. It is detrimental to the peaceful unification of Taiwan and the mainland and only serves to increase tension in the Taiwan Strait area.

No country friendly to China should make such a decision so unacceptable to the Chinese people.

Harder to understand is the fact that this happened shortly after Dutch Prime Minister Andreas Van Agt visited China. During his visit, China and the Netherlands signed two agreements on economic and cultural co-operation, which create favourable conditions for the further development of friendly relations and co-operation between the two countries.

It is the sincere hope of the Chinese people that through the

joint efforts of the two countries, such friendly relations and co-operation will further grow. But they regret to note that at this very moment, the Dutch Government has taken such an action on the Taiwan issue to which the Chinese people are most sensitive, an action that hurts their feelings and will inevitably adversely affect relations and economic co-operation between the two countries. One has every reason to ask: What is the attitude of the Dutch Government towards Sino-Dutch relations?

This decision of the Dutch Government may give the Netherlands a piece of business, and may bring some temporary economic benefits to the Netherlands, but it is political shortsightedness to go after small, immediate interests at the expense of the long-standing good relations between China and the Netherlands.

It should be pointed out that development of Sino-Dutch friendly relations and co-operation is the common desire of the Chinese and Dutch peoples and in conformity with the fundamental interests of the two countries.

The Chinese people hope that the Dutch Government, by taking the overall situation into account, will adhere to the basic norms governing relations among states, treasure the long-established good relations between China and the Netherlands and, proceeding from the fundamental interests of co-operation between the two countries, will reconsider its decision.

—*Xinhua Commentator, December 3*

Kampuchea**First Joint Military Operation**

DEMOCRATIC Kampuchean guerrillas and a unit of the Khmer Seri group jointly mounted an attack on a Vietnamese military convoy in the western part of the country on November 28, inflicting heavy casualties on the Vietnamese invaders.

This first joint operation, though small in scale, nevertheless shows the determination of the various resistance forces to strengthen their unity and co-operation in the fight against the foreign aggressors.

It is almost two years since Viet Nam launched its aggression against Kampuchea. People once doubted the Kampuchean people would be able to carry on their resistance to the end of the first dry season (April of 1979) under fierce Vietnamese attacks. Facts, however, show that the Kampuchean patriots have grown in their resistance war in the last two dry seasons and are growing in strength as they enter the third dry season. Now they have started joint military operations against the enemy. Militarily and politically, this new development has worried Hanoi

Of all the resistance forces operating against the Vietnamese aggressors in Kampuchea, the national armed forces and guerrillas of Democratic Kampuchea are the most powerful and the main force stopping the invaders from seizing complete control of the country.

It is this force which is preventing Hanoi from consolidating its rule in Kampuchea

where 200,000 Vietnamese troops are bogged down. For the same reason, Hanoi cannot effectively exploit Kampuchea's natural sources to ease its own economic troubles, nor can it make the international community recognize Viet Nam's occupation of Kampuchea a fait accompli.

On this force, numbering tens of thousands, rests the hope of the Kampuchean nation. It also serves as a protective barrier for the security of Thailand and other Southeast Asian countries, because it blocks the Soviet and Vietnamese war machines' southward drive to other parts of Southeast Asia. If this force were weakened and allowed to be disintegrated, it would be easier for the Soviet Union and Viet Nam to realize their strategic thrust into Southeast Asia, and thus further jeopardize peace in the region and the rest of the world.

The battle on November 28 shows that the Democratic Kampuchean Government, having summed up experience, has readjusted its policies and increased co-operation with other resistance forces. It can be expected that the various



Democratic Kampuchean guerrillas on the march.

resistance forces in Kampuchea will close their ranks in future and deal heavier blows at the aggressors, sucking Hanoi deeper into a quagmire of its own making. It will facilitate the political settlement of the Kampuchean question and contribute to peace in Southeast Asia and the world.

— Xinhua Correspondent
Guo Ping

Vietnamese-Laotian "Special Relations"

SOME 60,000 Vietnamese troops are now in Laos, twice the number of Laos' own army. That, in a nutshell, illustrates the "special relations" Viet Nam has established with Laos.

Vietnamese-Laotian "special relations" are, in essence, a form of colonial rule, only the colonialist in this case is dirt poor. The Viet Nam of the Le Duan clique has neither the merchandise nor the capital to

export. Its hallmark is military control and plunder.

All-Round Control. Almost all strategically important places in Laos today have a Vietnamese garrison. Hanoi and Moscow have built radar stations, electronic surveillance stations and missile bases in Vientiane, Savannakhet and on the Plain of Jars. Vietnamese troops stationed along the Mekong River dividing Laos and Thailand carry out provocative attacks against Thailand, incite trouble along the Lao-Chinese border in Upper Laos and make war along the Lao-Kampuchean border in Lower Laos. Vietnamese military advisers keep Lao troops on a short rein, with Vietnamese officers issuing commands to all Lao units from company level up. Viet Nam foisted on the Lao authorities a "treaty of friendship and co-operation," in order to legalize its occupation of the country.

A special "Laotian Commission" under the Vietnamese Workers' Party Central Committee controls the Lao Party's activities and other Lao government, military and diplomatic affairs. More than 8,000 Vietnamese masquerading as advisers and experts have swarmed into Laos to oversee all Lao government organizations. It is they who examine and approve laws, decrees, plans, senior officials' speeches and even foreigners' entry visas. Lao cultural units and schools are also in the hands of Vietnamese "experts."

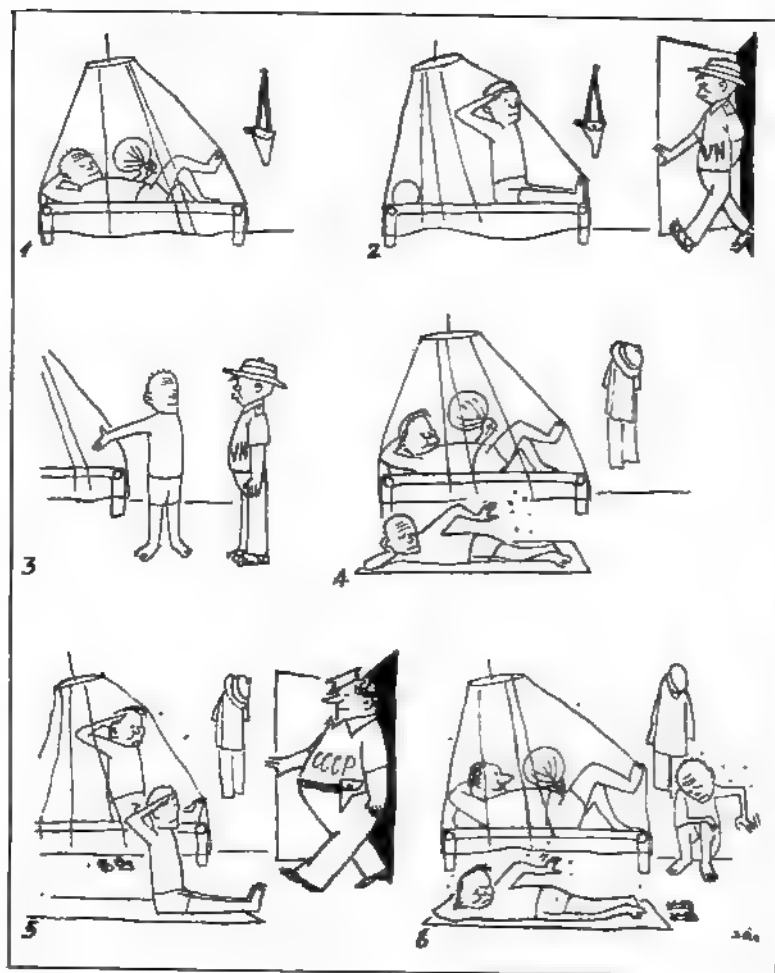
Plunder. Laos, a fertile country with abundant resources, has fallen prey to Vietnamese plunder. Vietnamese troops seize whatever takes their fancy: grain, clothes, cattle, pigs and chickens. They indis-

criminate fell trees to ship the timber to Viet Nam or sell to other countries and pocket the money. Under the guise of "assistance and co-operation," they ruthlessly exploit other Lao resources—gold, coal, tin and other ores to send back to help Viet Nam's hard-pressed economy. Hanoi also controls the country's currency and Laotians were forced to change currencies several times to their financial loss. Vietnamese plunder and exploitation are driving commodities off the market and sending prices soaring. Life has become still more difficult for the people.

Since 1975, alien Vietnamese rule has forced more than 200,000 Laotian people, or

about 10 per cent of population, to flee the country, mostly into Thailand. The exodus is damning evidence of Vietnamese economic plunder, military control and political oppression.

Armed Resistance. The harsh realities of life under Vietnamese occupation are driving the Laotian people to armed resistance. Guerrillas are reported to be active in the mountains and in the countryside. Lao Prime Minister Kaysone Phomvihane, who narrowly escaped being killed on three occasions, now holes up in a concrete and steel stronghold heavily guarded by Vietnamese soldiers. On November 24, Lao guerrillas mounted the fiercest attack yet launched against



Cartoon by Fang Cheng

Vietnamese military units stationed near the Pak San Hospital in Vientiane Province and inflicted heavy casualties on the enemy. On the eve of Laotian National Day (December 2), Viet Nam ordered a series of raids throughout Laos

to round up possible "trouble-makers." In Vientiane alone, hundreds of people were arrested. The Vietnamese-Laotian "special relations," apparently, cannot be maintained other than by bayonets.

— Jin Lin

Who Is Holding Up Namibian Independence?

THERE are many reasons for the delay in Namibia achieving independence, but South African obstruction and sabotage are primary.

Over the past three years, the U.N. Council for Namibia and representatives of the five Western members of the Security Council have held talks on many occasions with the South African authorities over the issue of Namibia's independence. Six months ago, the Botha government announced that it would accept the proposal of the five Western nations, but it went on energetically backing the forces of the Democratic Turnhalle Alliance in Namibia to counter the influence of the South West Africa People's Organization (SWAPO).

In December 1978, "elections" for a constituent assembly were held by the South African authorities. This was boycotted by SWAPO and also denounced by the five Western powers. The Democratic Turnhalle Alliance, as was to be expected, "won" most of the seats in the "constituent assembly." In May 1979, the "constituent assembly" was reconstituted as the "national assembly" and given greater powers by the South African author-

ities. On June 12 this year, Pretoria announced the setting up of a "ministers council" composed wholly of D.T.A. members in the "national assembly" and declared that the "ministers council" would take over part of the administrative power from the South African authorities and have an armed force of some 2,000 troops. The South African authorities also instructed leading members of the D.T.A. to tour the Western nations to win international recognition. Meanwhile, Pretoria continued to work for weakening and eliminating SWAPO.

All this year, the Botha government has been stepping up repressive measures against SWAPO, fabricating rumours, arresting its leading members, sending more troops to Namibia and mounting attacks across the border on SWAPO bases and refugee camps. This was accompanied by inciting people to sow discord and create division in SWAPO so as to disintegrate the organization from within. The South African authorities also threatened to take military action and impose economic sanctions in an attempt to sabotage African frontline countries' support to SWAPO.

The main reason why the South African racist regime is

so truculently opposed to a peaceful settlement of the Namibian issue is that it fears the toppling of the racist-inspired schemes it took so much pain to build over the years once the Namibian issue is settled according to the Zimbabwean pattern. The Botha government knows that SWAPO is one of the earliest nationalist organizations which has carried out an armed struggle for many years and has broad popular support and is recognized by the Organization of African Unity and the United Nations as well. SWAPO's prestige and influence at home and abroad are immeasurably greater than any other organization in Namibia. In any free elections, SWAPO is sure to sweep the board. And this is what the racist South African authorities fear most.

The racists of Pretoria also fear that if Zimbabwe's experience is repeated in Namibia, it would fuel the fight against racism in South Africa itself and directly threaten their already precarious position.

For political, military and economic reasons Pretoria will not lightly give up Namibia to the Namibians.

Namibia is mineral rich and Walvis Bay is a mineral export port and fishing centre as well as an important naval, ground and air force base.

The South African authorities have agreed to attend the Maputo meeting on Namibian independence but they have not given up their machinations to give Namibia independence in name only, but not in fact. The road to genuine independence for Namibia remains tortuous and painful.

— Xu Dewen

Reports From the Court (3)

Jiang Clique's Frame-up of Chairman Liu Investigated

During the "cultural revolution," Jiang Qing and her cohorts framed and persecuted many Party and state leaders, including the late Chairman of the People's Republic of China Liu Shaoqi. He was persecuted to death.

Chen Boda trumped up charges against the Party organization in eastern Hebei Province, which had made great contributions to the revolution. This eastern Hebei case resulted in the framing and persecution of 84,000 cadres and ordinary people, of whom 2,955 died as a result.

Zhang Chunqiao was responsible for the violent clashes in Shanghai and Jinan, which injured and maimed many people; he also directed a secret group to persecute cadres and ordinary people.

From November 28 to December 5, the First Tribunal of the Special Court held many hearings on the above-mentioned charges against Jiang Qing, Chen Boda and Zhang Chunqiao.

November 28 and 29

Depositions show that **Chen Boda** was one of the persecutors of many Party and state leaders, including the late Chairman Liu Shaoqi.

In July 1967, Jiang Qing, Kang Sheng and Chen Boda approved without authorization a scheme to repudiate and struggle against Liu Shaoqi. In a report submitted to them seeking permission to organize a "rally to repudiate and struggle against Liu Shaoqi," Chen Boda himself changed the words "Liu Shaoqi" into "Liu, Deng, Tao and their wives," thus increasing the number of persons to be repudiated and denounced from one to six. (Deng and Tao refer to Deng Xiaoping and Tao Zhu. Both were Vice-Premiers of the State Council and Members of the Standing Committee of the Political Bureau of the C.P.C. Central Committee.)

When the judge questioned him about this, Chen Boda replied: "I do not remember." When the court then showed him a photocopy of the report submitted to him asking for permission to repudiate and denounce Liu Shaoqi, he admitted that he had approved it.

At the court session, Chen Boda pleaded guilty to having framed the Communist Party organization in eastern Hebei Province, a charge against him in the indictment.

The eastern Hebei Party organization was set up by Li Dazhao, a founder of the Chinese Communist Party, in the 1920s. It had made great contributions during the prolonged revolutionary struggle.

In a speech he made in Tangshan on December 28, 1967, Chen Boda smeared the Party organization as "probably a party of Kuomintang-Communist co-operation, and in fact, it might be the Kuomintang members and renegades who were playing a dominant role here."

The judge asked Chen Boda if he had any grounds for these allegations. Chen Boda replied:



Chen Boda standing trial.

"None at all. I spoke without any foundation. I plead guilty."

Chen Boda also admitted that, in 1967 and 1968, he, together with Xie Fuzhi (former vice-premier of the State Council and minister of public security) and Wu Faxian, used a leaflet case to frame and persecute Zhu De (then Chairman of the N.P.C. Standing Committee), Chen Yi (then Vice-Premier of the State Council and Minister of Foreign Affairs), Li Fuchun (then Vice-Premier of the State Council) and other state leaders.

December 3 and 5

Large amounts of conclusive documentary evidence and numerous testimonies exhibited in court revealed that Jiang Qing had made use of a special group under her direct control to frame and persecute Liu Shaoqi, late Chairman of the People's Republic, and Wang Guangmei, his wife.

The court established the charge in the indictment that it was Jiang Qing, Kang Sheng and Chen Boda who decided to hold a public meeting on July 18, 1967 to denounce and struggle against Liu Shaoqi. His home was searched and ransacked and he was physically persecuted.

Confronted by a large amount of evidence, Jiang Qing had to admit that this charge was true. But she argued that the public meeting and the searching of his home were "reasonable and lawful" and, therefore, "did not constitute criminal offences." She also said that the 16-Point Decision (the Decision Concerning the Great Cultural Revolution adopted at the 11th Plenary Session of the Eighth Party Central Committee in 1966) approved the action of doing away with the "four olds" (namely, old ideas, old culture, old customs and old habits). "Doing away with the four olds would inevitably lead to searching homes, which was a revolutionary action," she added.

Prosecutor Jiang Wen and Chief of the Special Procuratorate, Huang Huoqing, then spoke in support of the public prosecution and refuted Jiang Qing's claims. Jiang Wen pointed out that the Decision Concerning the Great Cultural Revolution contained no article giving grounds for repudiating and struggling against the State Chairman and searching and ransacking his home, and it was impossible for Jiang Qing to shirk her legal liability for her decision to repudiate and struggle against Liu Shaoqi and to search and ransack his home.

Huang Huoqing pointed out that, under Ar-

ticle 36 of the Organic Law of the National People's Congress adopted in 1954, N.P.C. Deputies were immune from arrest or trial without a decision by the National People's Congress or its Standing Committee when the N.P.C. is not in session. "This being so," he asked, "what right then had Jiang Qing and a few others to denounce and struggle against the State Chairman, an elected official by the National People's Congress, in a public meeting? It was absolutely against the law."

The "Group for Inquiring Into the Special Case of Liu Shaoqi and Wang Guangmei" was set up in May 1967 to frame and persecute Liu Shaoqi. Directed by Jiang Qing, Kang Sheng and Xie Fuzhi, it arrested many innocent people and extorted confessions by torture in order to concoct false evidence against Liu Shaoqi. As a result, large numbers of people were persecuted.

In court, Jiang Qing repeatedly denied that the special group had been under her direct control and command. The court exhibited relevant documentary evidence and testimony. One piece was a directive written by Xie Fuzhi on February 26, 1968 on a report submitted by the "Group for Inquiring Into the Special Case of Wang Guangmei," which stated: "The main job concerning the case of the big renegade, Liu Shaoqi, is under Comrade Jiang Qing's personal control. From now on, all reports on important issues and those asking for instructions should first be submitted to Comrade Jiang Qing directly."

On June 26, 1968, Jiang Qing was incensed that the special group had only submitted to her abridged versions of some documents. She wrote a letter to the group, saying that the group's failure to give her the original materials had "given rise to the phenomenon of usurping power" from her. "If I have not fulfilled my duty or have committed big errors," she said, "remove me from my post." Otherwise, "you should make self-criticism and seriously correct your mistakes." Two other leading members of the special group hastily made a written self-criticism.

Then, the court played back a recording of Jiang Qing's speech on September 18, 1968 at a public meeting, in which she said, "I am in charge of the first big special case. . . . Now, I can tell you that Liu Shaoqi is a big counter-revolutionary, a big hidden traitor, a big renegade and big enemy agent with all the evils. . . .

I think he deserves a thousand cuts, ten thousand cuts. . . ."

The evidence was overwhelming. Jiang Qing had to admit that she had taken direct charge of the "special group for handling the case."

The court investigation also established that, in order to vilify the late State Chairman Liu Shaoqi as a "renegade" and "enemy agent," Jiang Qing ordered the special group to extort confessions from Professor Yang Chengzuo, Professor Zhang Zhongyi, and Wang Guanggen, a citizen of Tianjin, so as to fabricate evidence. All three were tortured to death.

It was shown in court that Jiang Qing had approved the arrest of Yang Chengzuo and his wife. Yang was a professor of the former Catholic University where Wang Guangmei once studied. At the time of his arrest, he was 64 years old and critically ill. He could not even take care of himself. Even so, Jiang Qing ordered the special group to "step up the interrogation to squeeze out of him what we need before he dies."

The court also played back a recording of the interrogation of Zhang Zhongyi, a professor of the Hebei Provincial Normal College in Beijing and former professor of Catholic University. Zhang was critically ill at the time and his speech was quite confused. When the interrogator asked him who Yuan Shaoying (Yang Chengzuo's wife) was, he replied, "He is a man." When forced to say what kind of person Wang Guangmei was, he first replied, "I cannot say clearly what kind of person she is." Further pressed, he then stated, "Wang Guangmei. . . though a secret agent, is a very concrete enemy agent." But he added that he learnt this from "our government's communicate." The testimony by doctors and staff members who were present during the interrogation brought out the fact that at that time Zhang Zhongyi was suffering from severe cirrhosis of the liver, but they still forced him to answer questions.

December 4

Investigation by the First Tribunal of the Special Court proved that Zhang Chunqiao instigated and supported armed clashes in the cities of Shanghai and Jinan in December 1966 and May 1967. Both the violent incidents resulted in large numbers of people injured and maimed. The Kangping Road Incident alone culminated in the injuring and maiming of 91 people.

In his attempt to seize Party and govern-

ment leadership of the Shanghai Municipality. Zhang Chunqiao made a phone call from Beijing on December 28, 1966 to his wife, Li Wenjing, in Shanghai, telling her, "The fruits of victory mustn't be snatched by the 'Red Detachment.' Tell the 'Revolutionary Rebels' that they mustn't stand idly by." (At that time, the "Red Detachment" and "Revolutionary Rebels" were two mass organizations with different viewpoints.) Li Wenjing told Xu Jingxian (a co-defendant in the case of the gang of four and a former leading member of Shanghai) about Zhang Chunqiao's phone call and Xu passed on the message to the "Revolutionary Rebels." At the instigation of Zhang Chunqiao, Wang Hongwen (then head of the "Revolutionary Rebels") directed large numbers of people who were ignorant of the real situation to attack the "Red Detachment," hence the Kangping Road Incident.

Xu Jingxian appeared in court to give testimony. This and Li Wenjing's testimony written on December 3, 1977, as well as Zhang Chunqiao's speech on March 8, 1967 substantiated the above-mentioned charge against Zhang Chunqiao in the indictment.

Then the court investigated the charge that Zhang Chunqiao had directed the "You Xuetao Group" (code named 244) to kidnap innocent people, search houses, extort confessions by torture in secret, collect information and other criminal activities.

The investigation showed that this secret organization, which was under the command of Zhang Chunqiao, altogether fashioned 26 false cases and framed and persecuted 183 cadres and ordinary people, five of whom died as a result.

Among the large amount of evidence exhibited in court was the testimony of He Xiuwen, former secretary of Zhang Chunqiao. The deposition said that, in October 1970, Zhang Chunqiao ordered He Xiuwen to burn large amounts of secret materials collected by the secret organization.

The court also heard the charge that, during the "cultural revolution," Zhang Chunqiao wilfully framed and persecuted Party and government leaders in Shanghai, among whom Cao Diqu, Mayor of Shanghai, and Jin Zhonghua, Vice-Mayor, were persecuted to death.

During the court session, Zhang Chunqiao refused to answer questions or to look at the evidence presented in court.

— "Beijing Review" correspondent

Wu Faxian Admits Collaboration With Jiang Qing

November 29

During a session of the Second Tribunal of the Special Court, the prosecutor cited numerous facts to prove that **Wu Faxian**, former commander of the P.L.A. Air Force, had entered into counter-revolutionary collusion at the bidding of **Lin Biao**, **Jiang Qing** and Lin's wife, **Ye Chun**.

(1) On January 13, 1967, **Lin Biao**, **Jiang Qing** and **Ye Chun** had **Wu Faxian** present a written accusation against other leaders of the Air Force. At a later Air Force meeting, **Jiang Qing** gave a talk on the basis of the material prepared by **Wu**. In this way, not only was **Wu Faxian** protected from being criticized but other leaders of the Air Force were falsely accused and persecuted.

(2) In spring 1967, **Jiang Qing** instructed **Wu Faxian** through **Ye Chun** to send two people to the Shanghai Public Security Bureau and claim files on **Jiang Qing's** past life. **Wu** followed her instruction and the files were destroyed later.

(3) In 1967, **Jiang Qing** heard that some people were checking her files in the Ministry of Public Security. She ordered a few of its vice-ministers arrested and instructed **Xie Fuzhi**, who was then minister of public security and died in 1972, and **Wu Faxian** to seal the files. **Wu** did what **Jiang Qing** asked.

(4) In August 1968, **Jiang Qing** sent people to seize power at the *Jiefangjun Bao* (the Liberation Army Daily). She wrote a big-character poster for this purpose and let **Wu Faxian** have it pasted up in the building of the newspaper. **Wu** followed her instruction and the power of the newspaper was later seized by **Jiang Qing's** followers.

(5) In August 1967, **Jiang Qing** proposed that all the family members of **Ye Jianying** (Vice-Chairman of the Military Commission of the Party Central Committee) should be arrested. **Wu Faxian** later sent **Ye's** son then serving in the Air Force to the Beijing Garrison to be detained.

(6) From March to August in 1967, to cover her own repulsive history, **Jiang Qing** made **Wu**

Faxian take some people with him to Shanghai, Hangzhou, Suzhou, Jinan and other places to arrest public security staff members who knew her history. A great number of public security cadres suffered persecution and some of them were jailed for many years.

(7) In April 1968, people in Shanghai put up many big-character posters opposing **Zhang Chunqiao**. **Jiang Qing** instructed **Wu Faxian** to order the Shanghai Air Force Units to tear them down. **Wu** carried out this order without delay.

The prosecutor also said that during April and May in 1971 when the Political Bureau of the Party Central Committee was in session criticizing the mistakes made by **Huang Yongsheng**, former chief of the P.L.A. General Staff, **Wu Faxian**, **Li Zuopeng**, former first political commissar of the P.L.A. Navy, and **Qiu Huizuo**, former head of the P.L.A. General Logistics Department, at the Lushan Meeting, **Jiang Qing** went to the Western Hills to console them after a meeting, saying that "the problem of the Lushan Meeting is finished. Do work hard in the future."

After the prosecutor's speech, **Huang Yukun**, the chief judge, asked **Wu Faxian**: "Do you have any objections to what the prosecutor said?" **Wu** answered: "Everything he said is true and correct. I am guilty. Under the instructions of **Lin Biao** and **Ye Chun** I did many bad things on **Jiang Qing's** behalf. **Jiang Qing** is the chief criminal and I, her accomplice. I sincerely plead guilty and will submit to the law."

December 6

In the afternoon session, the Second Tribunal investigated charges that **Wu Faxian** framed **Zhu De**, late Chairman of the N.P.C. Standing Committee, **Deng Xiaoping**, then General Secretary of the C.P.C. Central Committee, **He Long**, late Vice-Chairman of the Military Commission of the C.P.C. Central Committee, **Lu Dingyi**, former Head of the Propaganda Department of the C.P.C. Central Committee, and **Luo Ruiqing**, late Chief of the P.L.A. General Staff. **Wu Faxian** admitted the above-mentioned charges and said he should be held responsible for these charges.

December 15, 1980

Jiang Tengjiao Pleads Guilty

December 1

Having concluded the fourth and last session to investigate the offences committed by Jiang Tengjiao, former political commissar of the Air Force of the P.L.A. Nanjing Units, as stated in the indictment, the Second Tribunal of the Special Court immediately debated the case.

In his speech, Prosecutor Tu Men pointed out that the aim of Jiang Tengjiao's counter-revolutionary activities was clear. Jiang knowingly played an active part, occupied an important position and had played a major role in these activities. For all this, he must be punished according to law.

In a statement to the court, Jiang Tengjiao said: "I sincerely plead guilty and will submit to the law."

Lawyers' Defence

Wang Shunhua and Zhou Kuizheng, lawyers and advocates of Jiang Tengjiao, presented their joint pleas on the defendant's behalf at the December 1 court session. Speaking for Zhou and himself, Wang put forward the following points:

(1) Lin Biao and Jiang Qing were the chief culprits and should bear the chief responsibility for the crimes committed by the Lin Biao and Jiang Qing cliques. It was on Lin Biao's instigation and under Lin Ligu's direct command that the accused Jiang Tengjiao had committed the serious crimes of plotting the assassination of Chairman Mao Zedong and the flight south to Guangzhou. There is some difference between Jiang Tengjiao and the arch-criminal, Lin Biao, and the principal culprit, Lin Ligu.

(2) With regard to the charge that the defendant searched the homes of Shanghai literary and art workers, Zhao Dan, Zheng Junli, Tong Zhiling, Chen Liting and Gu Eryi, in the small hours of the morning on Oct. 9, 1966, and subsequently sent the materials he obtained to Ye Qun's residence in Beijing, this crime was plotted jointly by Jiang Qing and Ye Qun. The way in which Jiang Qing worked hand in glove with Ye Qun to hatch the plot was not known to Jiang Tengjiao beforehand, nor did he know about the disposal of the materials he had handed over.

(3) The defendant Jiang Tengjiao confessed his offences at a relatively early date. Lin Biao and company had defected abroad in the small hours on the morning of September 13, 1971. In talks held with him by the authorities the following day, Jiang Tengjiao, still unaware that Lin Biao and several others had died in a plane crash in Undur

Khan in Mongolia while defecting abroad, confessed on his own initiative a considerable portion of his offences and wrote "details on the course of the plot to assassinate Chairman Mao." Of his own accord he also exposed the offences committed by Lin Biao, Ye Qun, Lin Ligu, Zhou Yuchi, Yu Xinye and others. This action by the defendant had helped uncover facts concerning the case. Shortly afterwards, the defendant made another confession about the secret meeting called by Lin Ligu in Shanghai on March 31, 1971. By and large, what Jiang Tengjiao had confessed conformed to the facts.

Moreover, Jiang Tengjiao showed repentance during the court hearings. When the defendant made his confession on September 14, 1971, he admitted that his offences were "most vicious and unpardonable," and that he should be "duly handled according to the discipline of the Party and the law of the state." He admitted that he "deserved to be punished." In recent talks with his lawyers, Jiang Tengjiao had again stated that "first, I should be tried and punished by the people; second, the indictment is factual and realistic." He had also said: "I hang my head and admit my guilt before the facts. I plead guilty and subject myself to the law."

In addition, Jiang Tengjiao had expressed the hope that he would be given a chance to atone for his crime. "As his advocates, we have the responsibility to present his request to the court for consideration," the lawyer Wang Shunhua said.

"We have put forward the above opinions in his defence, and we hope the court will mete out lighter punishment in passing judgment on his offences," the advocate concluded.

In his speech, Prosecutor Shen Jialiang stated that his opinion did not differ on the question of Jiang Tengjiao's attitude in pleading guilty as described by the advocate.

Following speeches by the prosecutor and the advocate, Wu Xiuquan, chief judge of the Second Tribunal, said: "Before the conclusion of the debate, the defendant has the right to present his last words according to the provisions of Article 118 of China's Law of Criminal Procedure." He asked Jiang Tengjiao: "What do you want to present as your last words?"

Jiang Tengjiao answered that he had already pleaded guilty, would submit to the law and had no more to say in his own defence.

Finally, Wu Xiuquan proclaimed the closing of the debate by the Special Court. He said: "The collegiate bench will discuss and assess the merits of the case, after which judgment will be handed down."

— Xinhua and "Beijing Review" correspondents

[illegible]

blood circulation, relieving stasis and strengthening vitality. For example, in the traditional Chinese pharmacology, *coptis chinensis*, *scutellaria baicalensis* and *isatis satira* are identified as "bitter" and "cold" medicinal herbs. Studies in recent years found all of them to contain some bactericidal or bacteriostatic constituents and act as antipyretics.

How are traditional Chinese medicines used in China's medical service?

Traditional Chinese medicines and other special techniques like acupuncture, moxibustion and massage are used in hospitals for traditional Chinese medicine or in departments of traditional Chinese medicine of general hospitals. Traditional medicines and acupuncture are also widely used by most of the rural barefoot doctors who have received elementary training in both Western and traditional medicine. (These doctors, numbering 1.6 million, make up the main force of the rural medical and health service. In addition to their medical duties, they also work in the fields. Generally there is one such doctor in one or several villages.)

How has traditional Chinese medicine fared in urban hospitals where most of the doctors have received training only in Western medicine? (These doctors number 395,000, which is 1.5 times the figure for doctors of traditional Chinese medicine.)

The Beijing Friendship Hospital provides an indication of what is going on. Integration of traditional Chinese medicine with Western treatment began in the 1960s at this modern hospital which was founded in 1952. The pediatric department is one which has made outstanding achievements. Many doctors often use traditional Chinese methods of treatment. For example, by using a mixture of seven herbal medicines in cases of various kinds of bacterial pneumonia, they have obtained more satisfactory results than when they used antibiotics. Children's virus pneumonia is a common disease with a high mortality. The integration of Chinese with Western medicine has markedly

increased the percentage of cures. According to the statistics of the last five years, the average mortality rate has dropped to 5 per cent.

They achieved another success in treating toxic dysentery and acute epidemic cerebro-spinal meningitis with hydroxyhyoscyamine extracted from *scopolia tangutica* grown in northwest China's Qinghai Province*. Their joint study with scientific workers found that this medicine can relieve arteriolar spasm at the early stages of these two diseases caused by different bacterial infections and offset the disturbance of micro-circulation**.

Special wards have been set up in this hospital to observe and study the action of traditional Chinese medicines. I learnt a great many interesting things about combined treatment by traditional Chinese and Western medicine.

Since 1977, this hospital has handled over 800 cases of acute infectious diseases mainly with traditional Chinese medicines and has got satisfactory results, particularly in treating pneumonia, pancreatitis, acute bacterial dysentery and septicaemia. Compared with antibiotics, traditional medicines showed more favourable results in these cases.

Rhubarb and a couple of other medicinal herbs, together with some Western methods of treatment, have been used to treat gastrointestinal haemorrhage caused by the rupture of esophagus vein which is a complication of cirrhosis of the liver. It helped stop bleeding in about 80 per cent of the cases.

A deputy director in charge of medical matters told me that many of the hundreds of doctors in the hospital, who have received training in Western medicine only, find the unique theories of traditional Chinese medicine hard to understand. But they are not forced to accept them. The policy of the government is to encourage the development of both traditional Chinese medicine and Western medicine as well as the combination of the two. The deputy director is very glad to see many of his colleagues studying traditional Chinese medicine with great interest and working hard to advance along modern scientific lines. More

* "Locality" is very important in traditional Chinese medicine. Herbal medicines of the same kind grown in different places vary in their efficacy.

** The theory of the disturbance of micro-circulation was established in 1965. This theory and its clinical practice are new achievements by Chinese medical workers.

and more people are coming to believe in the efficacy of traditional medicine.

Complicated and Careful Processing

Traditional medicines are also unique in the methods of processing. They are handled and processed in different ways—including steaming, roasting, baking, annealing, rinsing, soaking and boiling—with different results. Take rhubarb for example. Steaming it with wine may alleviate its purgative function and enhance its other functions: easing fever and inflammation, promoting blood circulation and relieving stasis. Charcoalized rhubarb can be used in cases of internal bleeding. Lime-soaked rhubarb helps to stop external traumatic bleeding. And rhubarb, when prepared with vinegar, has higher efficacy in promoting blood circulation and relieving stasis. Such complicated handling and processing also help to reduce or eliminate toxicity and side effects of many traditional medicines.

Compatibility is very important in each compound prescription. A prescription can have



New equipment — big tanks for boiling medicinal liquor.



Final wrapping of white-wax-coated boluses.

Two to three or as many as over a dozen ingredients. Prescriptions of different compositions and doses are used to treat different cases. For example, ephedra can treat common colds if it is mixed with cinnamon stem as a diaphoretic, and can cure asthma if it is prepared with bitter almond and gypsum. It makes up a prescription for detumescence when put together with ginger and atracylodes root.

The Tongrentang Traditional Chinese Pharmaceutical Factory is a fine place to learn how medicines are made, particularly those of excellent efficacy which have been handed down from ancient times. Its 400 kinds of products include tablets for treating minor sicknesses like cold and inflammation, patent pills for high fever, coma and convulsion, medicinal liquor for alleviating arthritic pains and pellets for promoting blood circulation, relaxing muscles and joints and relieving rheumatism. It also produces some expensive medicinal tonics. This ancient imperial pharmacy still preserves its traditional technical features and, as before, is noted for its careful selection of drugs, strict processing and outstanding quality of medicines.

When I visited the crude drugs workshop, the workers were sorting out various kinds of herbs from among the raw materials. The medicinal herbs were cut into small pieces and then cleared of dust, impurities and unwanted parts. Tortoise and turtle shells were soaked before the choice white shells were selected and those still with black coating discarded. My guide explained that they were able to guarantee quality because they strictly followed the stipulated standards right from the beginning of the processing work which, of course, conforms

to the government's pharmaceutical standards and the stipulations of the state pharmacopoeia*.

I was told by a worker that efforts were being made to modernize the complicated work of processing traditional medicines. A research laboratory had been set up and a modernized workshop was under construction in the factory's courtyard.

The factory staff numbers 1,600. Ball-shaped grinding machines have replaced manual methods of crushing and grinding ingredients, and big pots have given way to large tanks the size of boilers to simmer and extract medicines. Plastic wrapping is used in the packing department. Further efforts are being made to improve the remaining handwork.

Obviously, to modernize the processing of traditional drugs completely, much remains to be done. To deal with my chronic diarrhea and neurasthenia, I used to go to the medicine shop once a week and bring home several packets of dry herbs; each packet was as big as a medium-sized loaf of bread, having several or over a dozen ingredients. I boiled a whole package of them in the evening, first over a high fire, then a low fire, for about an hour. Then I gulped down a bowl of this bitter decoction while it was still warm. The whole lot had to be boiled again and strained through a cheese-cloth sieve. The liquor was left for the next morning, when it had to be warmed again before I took it. I was quite fed up with the whole business.

Now I am gratified to see on the market many herbal medicines in pill form which, like some instant beverage, can be taken right away after mixing it with some wine or boiled water. In the pharmacies we can also get traditional medicines in the form of sugar-coated tablets, capsules and injections. I believe sooner or later the making of decoctions can be improved. (This kind of medicine is particularly effective in treating chronic diseases.)

From Modern Scientific Viewpoint

One of the five institutes affiliated to the Academy of Traditional Chinese Medicine, the Institute of Traditional Chinese Pharmacology is housed in a white building at the northeast corner of the capital's inner-city area. All 270 researchers here have received professional training in different branches of modern sciences such as pharmacology, pathology, physiology,

* The latest state pharmacopoeia began to function in 1980.

biochemistry, virology, clinical medicine, chemistry and physics. The many advanced facilities and equipment include a China-made gas chromatograph, a British ultra-centrifuge, a spray-dryer from Denmark and an infrared spectrophotometer from Japan.

The following are the main tasks of this institute:

- To study the history of the development of traditional Chinese medicine, sum up experience in combining traditional Chinese and Western medicine and improve methods of research in the field of herbal medicines. Modern scientific knowledge and methods are used in doing all this.

- To find effective traditional drugs and prescriptions for treating and preventing common diseases and carry on research on the making of many more new effective drugs.

- To study the basic theory of Chinese herbal medicines and find out the inter-relations between the theory, methods, prescriptions and drugs so as to build up a new theory of pharmacology combining traditional Chinese and Western medicine.

- To systematically research the processing, testing, quality, chemical composition, pharmacologic functions and preparing of traditional Chinese medicines. Their special features are kept in mind in the work.



Spray-dryer imported from Denmark.

- To promote international co-operation and academic exchanges.

Several new publications (including *A Handbook of Pharmaceutics of Chinese Materia Medica* and *Chinese Pharmaceutical Animals* Vol. 1), compiled by the institute, describe some of its new achievements.

One success is *ching hao su*, a new anti-

China's Ancient Pharmacy

- The 3,000-year-old inscriptions on tortoise shells excavated from the Yin remains in Anyang, central China, reveal that people at that time already knew how to brew medicinal liquor with tulips and other medicinal herbs to cure diseases.

- China's earliest pharmacological work, *Shennong Compendium of Materia Medica*, was compiled in the first and second centuries during the Han Dynasty. The book includes references to 252 medicinal plants, 67 animal medicines and 46 mineral medicines. It explains their nature, efficacy and functions as well as the diseases concerned. It also explains the methods of distinguishing, collecting, processing, storing and administering these medicines.

- Hua Tuo, the famous doctor of the second century in the Han Dynasty, succeeded for the first time in carrying out an abdominal operation with the patient under

anaesthesia induced by some powdered medicinal herbs mixed with wine.

- In 659, the Tang court promulgated China's first pharmacopoeia, the *Revised Compendium of Materia Medica*. It may be the earliest state pharmacopoeia in the world. In it are recorded many medicines brought in from other countries. These medicines have already become a component part of China's pharmacology.

- The export of traditional Chinese medicines from the 10th to the 13th century in the Song Dynasty included 58 kinds of traditional medicines which were shipped abroad through official channels.

- The 52-volume *Compendium of Materia Medica* compiled by the Ming pharmacologist Li Shizhen in 1578 has embraced 1,892 plant, animal and mineral medicines and 11,000 prescriptions. Its systematic explanations and rich knowledge of traditional Chinese medicine down through the ages have won it the esteem of pharmacologists of all succeeding generations.

malarial drug about which we reported two years ago. (See "New Drug for Malaria" in our issue No. 39, 1978, p. 27.) This anti-plasmodial compound is a new type of sesquiterpene lactone extracted from *artemisia annua*. Work on developing new anti-plasmodial drugs started in 1967. Based on the study and comparison of tens of hundreds of medicinal herbs in a great many traditional prescriptions, a woman probational researcher and her study group, inspired by a medical work of the early fourth century, first replaced the method of boiling with squeezing and extracted the anti-malarial element from this herb. The drug which was made is of higher efficacy, quicker effect and lower toxicity than the widely used chloroquine.

Another success is an extract from *Polygonum umbellatus*, a parasitic plant growing at the roots of some trees. The anti-cancer element of this extract has been proved to be a polysaccharide. Two and a half years of follow-up observations of 300 patients suffering from different types of cancer after they

were treated with this extract show that all had different degrees of symptom improvement and no toxic or side effects were found. Advances have also been made in similar endeavours to extract therapeutic elements from medicinal herbs to treat chronic bronchitis; to make pharmacological studies of traditional prescriptions for easing cardiovascular diseases (angina pectoris); and to make researches into medicinal herbs for virustatic and anti-bacteria and anti-inflammation herbal medicines.

My short visit to the institute has enhanced my confidence in the prospects for traditional Chinese medicine. Inheriting traditional Chinese medicine and using modern scientific knowledge and methods to study it will greatly promote the development of pharmacology. Since traditional Chinese medicine and Western medicine can supplement each other, the combination of the two will be of great help in achieving the target of "health for all by the year 2000" put forward by the World Health Organization. □

Interim Regulations Concerning the Control of Resident Offices of Foreign Enterprises

On November 20, "Renmin Ribao" carried the *Interim Regulations Concerning the Control of Resident Offices of Foreign Enterprises promulgated by the State Council of the People's Republic of China on October 30.*

The formulation of the regulations is aimed at facilitating the development of China's international economic and trade contacts. In compliance with the request of our readers, we are publishing the full text of an unofficial translation. — Ed.

Article 1. The regulations hereunder are formulated with a view to facilitating the development of international economic and trade contacts and the control of resident offices in China of foreign companies, enterprises and other economic organizations (referred to hereafter as foreign enterprises).

Article 2. Any foreign enterprise desiring to establish resident office in China should first of all apply for permission and after securing approval go through the registration procedure.

No foreign enterprise is allowed to start business activities in the nature of those of a resident office before approval is granted and the registration procedure completed.

Article 3. A foreign enterprise, when applying for permission to establish a resident office in China, should produce the following documents and reference materials:

(1) An application form signed by the chairman of the board of directors or the general man-

ager of that enterprise. The content of the application form should include such details as the name of the resident office to be set up, the name(s) of the responsible member(s), the scope of activity, duration and site of the office;

(2) The legal document sanctioning the operation of that enterprise issued by the authorities of the country or the region in which that enterprise operates;

(3) The capital creditability document issued by the banking institution(s) which has business contacts with that enterprise;

(4) The credentials and brief biographies of the members of the resident office appointed by that enterprise.

A banking or insurance institution which desires to open a resident office should, apart from producing the documents and reference materials as specified in Paragraphs (1), (2) and (4) of the foregoing section, produce at the same time an annual report on the assets and liabilities and losses and profits of the head office of that enterprise, its constitution and the composition of its board of directors.

Article 4. Applications of foreign enterprises for permission to establish resident offices are to be approved by one of the following organizations:

(1) A trader, manufacturer or a shipping agent should apply to the Ministry of Foreign Trade of the People's Republic of China for approval;

(2) A banking or insurance institution should apply to the People's Bank of China for approval;

(3) A maritime shipping operator or a maritime shipping agent should apply to the Ministry of Communications of the People's Republic of China for approval;

(4) An air transport enterprise should apply to the General Administration of Civil Aviation of China for approval;

(5) Enterprises outside these lines of activity should, according to the nature of their operations, apply to the proper commissions, ministries or bureaus under the Government of the People's Republic of China for approval.

Article 5. When granted approval to establish a resident office, a foreign enterprise should, within 30 days of the date of approval, go to the General Administration for Industry and Commerce of the People's Republic of China on the strength of the approval document and go through the registration procedure of filling in a registration form and paying the registration fees before it is issued a registration certificate. The original approval document should be recalled in case of failure to register within the deadline.

Article 6. After approval for the establishment of a resident office is granted in accordance with the stipulations in Article 4, the members of that office and their families should, on the strength of the approval document, apply to the local public security organ for residence permission before they are issued residence permits.

Article 7. A resident office, when desiring to change its name, its responsible member(s), scope of operation, duration or site, should apply to the original approval-issuing organization and, after securing approval, go to the General Administration for Industry and Commerce of the People's Republic of China on the strength of the approval document and go through the procedure for effecting a change in registration and pay the fees. It should also go through the procedure with the local public security organ for changing the residence permits.

Article 8. A resident office should, on the strength of the registration certificate and in accordance with the relevant stipulations of the Bank of China, open an account in the Bank of China or in any bank which the Bank of China may designate.

Article 9. A resident office and its members should, in accordance with the stipulations of Chinese tax laws, go through the tax registration procedure with the local tax office and pay taxes in accordance with the regulations.

Article 10. A resident office and its members should declare to China's House of Customs the imported office articles, articles for daily use and means of transport and pay customs duties and industrial and commercial unified tax as stipulated.

Imported vehicles and ships should be registered with the local public security organ before the license plates and permits are issued. Fees should be paid to the local tax office for the use of the license plates for such vehicles and ships.

Unauthorized transfer or sale of the above-said imported goods are not permitted. In the event of a necessary transfer or sale, an application should be put forward to the House of Customs and approval obtained before such a transfer or sale can be effected. Imported goods can be sold only to designated shops.

Article 11. A resident office should entrust local service units for foreigners or such other units as may be designated by the Chinese Government on such matters as renting a house or engaging the service of Chinese personnel.

Article 12. The Government of the People's Republic of China undertakes to protect, in accordance with law, the legitimate rights and interests of resident offices and their members and facilitate their normal business activities.

Article 13. The resident offices are not allowed to set up radio stations on Chinese territory. They should apply to the local telecommunications bureaus for the renting of such commercial communications lines or communications equipment as may be necessary for their business operations.

Article 14. The members of a resident office and their families should abide by Chinese laws, decrees and relevant regulations in all their activities in China and in entering and leaving China.

Article 15. In case a resident office and its members violate the "Interim Regulations" or they are engaged in other law-breaking activities, the proper Chinese authorities have the power to look into the cases and deal with them in accordance with law.

Article 16. A resident office should notify in a written form, 30 days in advance of the termination of its operation, to the original approval-granting organization when the duration of its operation expires or if it decides to end its business activities before the due date and, after clearing up its debts, paying its taxes and winding up other related matters, go through the formalities with the original registration certificate-issuing organization for cancelling the registration and turn in the certificate.

The foreign enterprise which the said resident office represented, should continue to be held responsible for any matter that the said resident office may leave unfinished at the time of its termination.

Article 17. Those resident offices that have already been established with approval should, within 30 days of the promulgation of the "Interim Regulations," go through the procedure of registration with the General Administration for Industry and Commerce of the People's Republic of China on the strength of the documents of approval.

Article 18. Any other matter that may be uncovered in the "Interim Regulations" should be handled in accordance with the relevant Chinese laws, decrees and regulations.

Article 19. The "Interim Regulations" should apply to any foreign enterprise which desires to appoint a resident representative(s) as to those desiring to establish resident offices.

Article 20. The "Interim Regulations" goes into effect on the day of promulgation. □

● Campaign to Improve Services

Eight shops and 22 shop assistants in Shanghai recently were praised in a citywide campaign to upgrade the quality of the commercial service. Shanghai's acting Mayor Wang Daohan presented the awards of "Best Shop" and "Best Shop Assistant" to the various winners on behalf of the sponsors of the campaign, the Trade Union Council of Shanghai, the city's committee of the Communist Youth League and a local newspaper *Jiefang Ribao* (Liberation Daily).

The People's Hotel on Nanjing Road was one of the recipients of the "Best Shop" award. During the campaign, it received over 6,000 written comments of praise for its good service and reasonable prices. Another figure commended during the campaign was 49-year-old Chen Yaotang, an assistant of the Shanghai Children's Provision Shop. Chen received 3,664 notes of satisfaction and praise for his courtesy, hard work and speedy service.

During the campaign suggestion boxes were installed in all stores and identification badges were issued to workers to assist customers in appraising the quality of their service. Customers were also encouraged to write comments in a suggestions book provided at each store or to express their views in letters to *Jiefang Ribao* as well. Over 440,000 customers from Shanghai and other parts of the country responded to the campaign and submitted their "votes" for the best shops and assistants in the city.

● Chrysanthemum Show in Beijing

Ten major parks and hundreds of individual amateur gardeners in Beijing have contributed over 2,000 pots of chrysanthemums to a flower contest which opened in Beihai Park at the end of October. The month-long competition was provided as an opportunity for the exchange of practical knowledge on chrysanthemum growing, as well as for general public enjoyment. Visitors to

the exhibition were invited to vote for their favourite choices from among the many beautiful floral displays.

Over 600 varieties of chrysanthemums were on show in the botanical room at Beihai, with pots arranged in tiers and vividly displaying a rainbow of colours. There were flowers of all shapes and sizes; some resembled spheres and cones while others looked like peacock plumes. Several plants were cultivated into the delicate shapes of cascading water and stunted trees. All of the chrysanthemums had excellent healthy blossoms and vibrant colour. In addition, there was a special room at the Beihai exhibit showing miniature potted landscapes containing chrysanthemums.

Along with the flower show was a display of paintings and poetry about the chrysanthemum on scrolls by various famous painters and calligraphers. These served as a backdrop for two life-size scenes of clay and wood characters from Chinese literary history and the classical novel *A Dream of Red Mansions*.

The Chinese have been growing chrysanthemums for almost 3,000 years. About 1,000 years ago, during the Song Dynasty, over a hundred species were recorded. Before the "cultural revolution" there were as many as 3,000 different varieties of the chrysanthemum, but only 1,000 are surviving today. The chrysanthemum is also used in traditional Chinese medicine and as an ingredient in Chinese cooking.

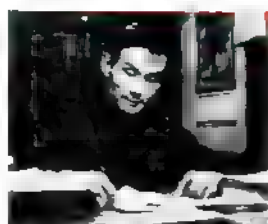
● Abacus News

Though the abacus was invented over 1,000 years ago, it



Liang Peijun (front right), "Best Shop Assistant" at a Shanghai vegetable shop, discussing how to improve customer service with co-workers.

People in the News



Despite the inevitable hardships of a hearing handicap, Cao Heng has led a very productive engineering career after years of diligent study and hard work.

Cao contracted TB in 1952 when he was only 20 years old, and the excessive streptomycin injections he received afterwards gradually made him deaf. As a result, he gave up his work as a surveyor and turned to instrument and meter repair work and the calculation of surveying data. He only had a middle school education, so in order to keep abreast of his new work, Cao began to study advanced mathematics on his own.

Thereafter, Cao Heng was always absorbed in studies when not at work. Because he was trying to learn a difficult subject without the aid of a teacher, Cao's independent study always required much more time and effort than what is ordinarily needed. In 1956, he decided to learn Russian as well in order to be able to read the library's many surveying manuals and magazines written in Russian. In a year or so, he could translate articles from Russian into Chinese and many of his translations were subsequently published in a magazine of survey and cartography.

In 1959, Cao enrolled in a correspondence school organized by the Wuhan Surveying College. He studied all the required materials during his spare time and was praised as one of the outstanding students in the programme.

In 1974 the Nanjing Designing Institute of Surveying and Prospecting where Cao works invited a teacher from the Nanjing Normal College to give a series of lectures on computer science. Cao attended the classes and enthusiastically studied this subject with the hope of discovering a method of using computer programming to process surveying calculations. Many times thereafter, the computer he was working with would shut off because Cao's experimental programmes were beyond its limits. Finally, on the eve of 1975 National Day, Cao successfully programmed a group of arithmetic language processes on surveying calculations.

On the request of the Survey and Cartography Publishing House, Cao wrote a book in 1978 entitled *The Arithmetic Language and Its Application in Surveying Calculations* based on his studies and work. That same year, he was promoted to the position of engineer and asked to attend a national science conference for his achievements in scientific study. In April this year he participated as a deputy in the third national conference of blind and deaf people.

still has an important and useful role in today's age of electronics. Some 30 million Chinese rely upon the "bead calculator" every day in their various jobs in agriculture, industry and trade.

"Preference for the abacus is not simply a matter of habit," said Yin Changsheng, vice-president of the China Abacus Association. With addition and subtraction problems, he ex-

plained, the abacus actually works faster and simpler than a modern calculator; the abacus requires fewer finger movements than are needed to press the buttons of an electronic calculator. For multiplication and division, the abacus is slower than the calculator; but it is estimated that addition and subtraction problems represent some 80 per cent of most ordinary calculations in trade and commerce.

Some 30 million primary school students are presently learning how to use the abacus in school each year. China is also producing 4 to 5 million new abacuses annually, including those for export. In addition, a small number of abacus-calculator kits are now being produced which offer speed and convenience with all types of calculations.

Zhu Suan (Bead Calculation), a new quarterly magazine published by the China Abacus Association, has recently been inaugurated with an initial circulation of 50,000; another 50,000 copies are on order to meet popular demand.

● Mutant Date Tree

A mutant date tree in Shandong Province's Xiajin County produces more than ten different shapes of dates. Although it has been struck by lightning several times, as one can easily see from the scars and burns on its trunk and branches, the tree still stands at a towering height of 15 metres and has a two-metre diameter at breast height.

Analysts from the Forestry Association of Dezhou Prefecture now studying the tree have hypothesized that the enormous amounts of energy which flowed through the tree when it was hit by lightning caused certain changes in the structure of its individual cells, altering its genetic and reproductive functions. As a result, the mutated tree began to grow fruit in a variety of shapes which ordinarily would not be found on a date tree.

According to local legend, the 350-year-old tree was planted in the late Ming Dynasty. It has produced as much as 850 kg. of fruit in a single year, while most Chinese date trees only yield around 40-50 kg. annually.

LINGUISTICS

Ancient Minority Languages

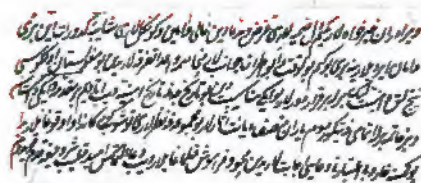
Qulu is the oldest language to be included in an exhibition of ancient minority languages held in Beijing during the month of October. Used in the western part of China sixteen to eighteen hundred years ago, it was usually written on slips of wood, paper or leather. On display were a coin and a 15-cm-long wooden slip bearing this Arabic-type script.

Ten thousand people came to view such examples of China's rich cultural heritage. In all 16 minority languages were featured. The exhibits included kings' edicts, sutras written on tree leaves, ancient coins, tablet inscriptions, memorials to the throne (written on paper folded in an accordion form), official seals, typed and xylographic books and hand scrolls.

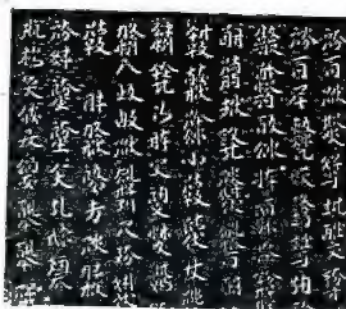
Though some of these languages used an ideograph similar to modern Chinese characters, each representing an independent meaning, most were spelled in an alphabetic system. The Huihu language (picture 1), for instance, was an



alphabetic language, used by the ancient Uygurs (called Huihu) between the 8th and 15th century. Chahetai (picture 2)

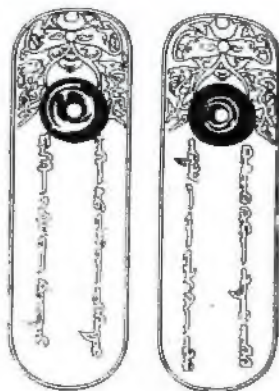


evolved from Arabic. But Qidan (picture 3), known as the



"riddle of the 20th century," is similar to Chinese. Some of these minority languages developed from Sanskrit, such as ancient Tibetan which was popularized between the 7th and 9th century. In fact, over the past 1,000 years no major changes have occurred in this language's basic structure and rules for combining words.

The relationship between some of these languages was well demonstrated in the exhibition. Ancient Mongolian (picture 4), introduced to the Mon-



golian nationality in 1204, was quite similar in letter formation, spelling and written grammar to the Huihu language after which it was modelled.

(Compare picture 1 of the Huihu language and picture 4 of the ancient Mongolian language.)

Many visitors attending the exhibition were fascinated by the samples of Dai sutras written on tree leaves. It is believed that as many as 84,000 volumes of tree-leaf sutras in Dai once existed. On display was *The Story of Sakyamuni Touring the World*, a Dai book divided into 22 volumes, each containing over ten leaves in one bundle, with each leaf 60-70 cm long.

The Dongba language (picture 5) was used by the Naxi



national minority in southwest China over 1,000 years ago for religious sutras, accounts and correspondence. Written in the form of an ideograph, this language represents an earlier form of writing than the inscription found on bones and tortoise shells and looks more like colour drawings. One article on display resembles a picture-story book.

The Qidan nationality was the first to invent its own language in north China. The language was popular for around 300 years. During this period Marco Polo came to China; hence he called this land "Qidan." Columbus discovered the new continent while trying to find a sea route to "Qidan." Though Qidan was the main language of the Liao Dynasty (907-1125), it now has become a riddle. However, significant progress has been made in this century towards deciphering it.

The last significant display was of the Manchu language which was created in 1599 by order of the first emperor of the Qing Dynasty (1644-1911). The Qing imperial genealogy, letters and edicts were also exhibited.

All the documents and relics in the exhibition are of great value to the study of linguistics, history and the culture of the national minorities.

DANCE

Returning to the Stage

Chen Ailian, one of the first generation of outstanding dancers trained after liberation, recently gave a superb performance in Beijing. She dominated the show from first to last either as a solo dancer or in a starring role.

She led off her performance with a classical dance *Under the Moonlight in Springtime*, which had made her famous 18 years ago. As the curtain rises, a girl of ancient times dances small graceful steps under the moonlight, illustrating her longing for happiness. The audience is immediately captivated.

Chen gave a total of ten dances in her Beijing performance, six Chinese and four foreign. She demonstrated a variety of dance forms, including ancient, modern Chinese and foreign styles. A free moving Spanish dance, a bold Gypsy dance and an eloquent Indian dance were all well-delivered, indicating her versatility.

Chen skilfully revealed her feelings, especially through her expressive eyes. In a ball dance her eyes conveyed innocence while in a Gypsy dance they communicated power. She has developed such high artistry through diligent training and help from Chinese and foreign artists.

Chen also distinguished her-



A scene from "Under the Moonlight in Springtime."

self by her skill as a ballerina. In the classical ballet *Death of a Swan*, for instance, her soft and graceful arm movements fully bring out the innermost feelings.

Dreaming of Returning to the Mainland is a modern dance which describes the happiness of a Taiwan compatriot when she dreams of seeing relatives on the mainland.

In *Snake Dance*, Chen successfully portrays a charming but insidious girl.

Chen is well-versed in classical dances, as evidenced by her renditions of *Under the Moonlight in Springtime*, and *Princess Wen Cheng*. She has learnt her graceful movements from traditional dances and her performances help the audience appreciate the beauty of classical dances.

Chen learnt to dance when she was 12 years old. She entered the Beijing School of Dancing in 1954 where she received rigorous training in Chinese and foreign classical dances and folk dancing. She quickly distinguished herself in leading roles. At the Helsinki Eighth World Youth Festival in

1962, she performed *Under the Moonlight in Springtime*, *Snake Dance*, *Bow Dance* and *Straw Hat Dance*, for which she received four gold medals.

But during the ten-year turmoil, Chen's husband was persecuted to death and she was sent to the countryside to take part in physical labour. In these difficult days she did not forget her training. In 1976, she returned to the stage and in 1978 once again performed her *Under the Moonlight in Springtime* when she visited the United States. She was also awarded a prize for her excellent performance in *A Fairy Dance* at the first national solo dance and *pas de deux* performance for the purpose of discussion and emulation in 1980.

Now, Chen is married to a worker in an art handicrafts workshop who helped her to get through her difficult days.

Chen, now 40, said: "I only have a few years of stage life left. It's a pity I lost my golden years during the 'cultural revolution.' Now I must race against time."

Three Essays on Party-Building

This collection contains three important articles by Comrade Liu Shaoqi: "How To Be a Good Communist," "On Inner-Party Struggle," and "On the Party." They summarize the experiences of the Chinese Communist Party in matters of Party building, and have long been used by Party members for cultivating Party spirit and by cadres in their theoretical study.

The present collection will help readers gain a further understanding of Comrade Liu Shaoqi's views on building up the Party according to Marxism-Leninism.

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LETTERS FROM READERS

Deletion of "Sida" and Freedom of Speech

From the articles published in your October 6 issue (No. 40) regarding the *dazibao*, it appears that although the *sida* provisions have been deleted from the Constitution, Chinese citizens will still be able to openly express their views orally and in writing in accordance with the constitutional guarantees of freedom of speech, correspondence, publication, etc.

These are valuable and necessary rights, particularly the public posting of written criticism, since it is often difficult to make a dent on entrenched bureaucracy and feudal practices by going only through regular channels, or even letters to the press. Neither of these can deal quickly and adequately with the large volume of questions raised.

At the same time, all public comment, whether verbal or written, must be offered responsibly and in keeping with the facts. I suggest that a new law be passed requiring the speakers or writers to identify themselves, and making them liable to prosecution for criminal slanders or libel in the event of falsification.

Sidney Shapiro
Beijing, China

Different Views on Language Reform

I've read with great interest your article on the reform of Chinese characters in issue No. 33. I must say that, generally speaking, I was disappointed.

There is no reason to oppose the realization of this reform within the shortest possible time, since these characters are a legacy of history inherited from the feudal times. (The course of

phoneticization will certainly be quite difficult and complicated.)

Judging from your article on this question, I feel that no concrete programme or plan has been mapped out, nor has a time limit been set for its realization. For this I must express my deep regret. To accomplish China's modernization, I think it is necessary, apart from other reforms, to bring about the complete phoneticization of Chinese characters.

Walter Freudmann
Vienna, Austria

I am writing in reference to the article entitled "Reforming Written Chinese" which appeared in your issue No. 33. I enjoyed reading your report, but I disagree with Mr. Ling on some of his views and opinions.

As a speaker of Chinese as a second language and one who admires the history and culture of China, I would like to voice my own opinions on this important topic of language reform.

In no other world civilization has the written representation of a language been so important. The Chinese logograph or characters have had significant consequences on its civilization and culture. Without the traditional writing system, China would probably consist of many countries much like Europe is today. The Chinese character writing has unified China as one culture and one people. In addition, unlike any other form of writing known to the world, the Chinese writing system has become an art form and calligraphy is placed on the same level of art appreciation as painting. To do away with this present form of writing would destroy an important link which connects China with its past.

To state that the "Chinese (written) language as presently constituted also presents a formidable obstacle to eradicating illiteracy, and upgrading education" is erroneous. Take a look at the island province of Taiwan and you will discover that the opposite is true. In Taiwan, simplified characters are not permitted and the traditional writing system is held in high esteem. Taiwan has almost 100 per cent literacy.

My advice is the following: Rather than introduce a phonetic script and simplify the writing system, I would suggest that a good methodology for the teach-

ing of the written language be developed. Also I wish the Chinese language scholars in Taiwan would be able to go to the mainland and exchange their opinions with scholars there.

Patrick Hogan
Iowa, U.S.A.

The special feature (on language reform) in your issue No. 33 is very interesting and timely. This proves that your achievements in the phoneticization and simplification of Chinese characters are undeniable.

Personally, I like the Chinese characters very much. I have also contributed to the promotion of *pingyin* (the phoneticization of these characters) in my country, using it in an adaptation of a Chinese language handbook (published in China) to enable our students to study Chinese voluntarily or write something about Chinese.

Alfred F. Majewicz
Poznan, Poland

Building a New Beijing

"Building a New Beijing" (No. 31) is a very good article, because the actual problems in Beijing are illustrated with figures. For example, concrete figures are given showing the backwardness in commerce and service trades. The traffic problem is also well presented.

In the past, your articles about the problems facing your country were usually written in abstract terms.

Tetsuo Mori
Tokyo, Japan

Growing Soviet Threats

The whole world is aware of "increasing Soviet threats." As far as I know, *Beijing Review* publishes several articles every year telling the world about these threats. As *Beijing Review* has warned in its articles, the Soviet Union has built military bases year after year, posing a great menace to neighbouring countries. We learn from *Beijing Review* that the activities of Soviet nuclear submarines in the Sea of Japan, the South Pacific Ocean and the Indian Ocean have far surpassed those of the United States.

Masao Saito
Hyogo, Japan



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